

Chapter: 17	Fiscal Management and Agency Property
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Chapter 17 Fiscal Management and Agency Property

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17.1.1 CEO Authority and Responsibility

The Chief of Police is designated by the Board of Aldermen and City Manager as having the authority and responsibility for the fiscal management of the agency.

17.2.1 Budget Process and Responsibility Described

The Department's fiscal management falls under the Chief of Police as stated in 17.1.1. However, the Chief of Police may delegate the management functions to a designated position of the organization. Members assigned to the Office of the Chief are responsible for the management of the annual budget.

It is the responsibility of the Division Lieutenants and Unit Supervisors to prepare and submit to their Division Captains, their annual budget requests. Upon review the Division Captains will submit their recommended budgets the Personnel, Facilities and Budget Unit. The Chief of Police will review Division Budgets along with the Deputy Chief and Division Captains or designees for final recommendation to the City Manager. After the approved budget is implemented, it will be the responsibility of each affected supervisor to monitor their budget each month.

The City of New Bern uses an automated purchasing system for the accounting and disbursement of budgeted funds. The automated system allows for constant monitoring of all activities.

17.2.2 Functional Recommendations to Budget

As stated in 17.2.1, Division Lieutenants and Supervisors are responsible for preparing and submitting budget requests. It shall be the Division Lieutenant's responsibility to see that these requests are based on functional goals and objectives. The following components will be addressed each budget year:

- A. Operating Needs
- B. Capital Purchase Needs
- C. Personnel Needs

17.3.1 Requisition and Purchasing Procedures

The New Bern Police Department will follow the City of New Bern purchasing procedures for requisitioning and purchasing of agency supplies and equipment, which include procedures for the emergency purchasing or rental agreements for equipment. City of New Bern Department of Finance Purchasing Manual. The Services Lieutenant or designee shall ensure Department compliance with the prescribed purchasing procedures:

- A. **Specifications for items requiring standardized purchases.**
- B. **Bidding procedures.**
- C. **Criteria for the selection of vendors and bidders.**
- D. **Procedures for the emergency purchasing or rental agreements for equipment.**
In case of emergencies the Chief of Police or designee may purchase directly from any vendor supplies or services whose immediate procurement is essential to prevent delays in work which may affect the life, health or safety of the people or their property.
- E. **Procedures for requesting supplemental or emergency appropriation and fund transfer.**
The transfer, reallocation or redistribution of approved expenditures will be authorized by the Chief of Police in accordance with fiscal management policies adopted annually by the Board of Aldermen.
- F. **Positions authorized to make purchases within the department.**
All employees within the agency are authorized to request a purchase utilizing the approved departmental purchase request procedures. The positions authorized to make purchases are the Chief of Police, Division Captains, the Communications Lieutenant, the Services Lieutenant, the Training Sergeant, the CUS Budget/Finance, PST for Facilities and Supply, Office Assistant III assigned to Travel and Training, and the Administrative Assistant to the Chief of Police. Individuals authorized to make purchases are issued city credit cards.

17.4.1 Accounting System

The City of New Bern has an accounting system for all financial accounts. The Board of Aldermen approves all budgets for the City. This automated system details all account activities, which are reviewed by the Services Lieutenant or designee. This system provides a continuous, accurate status on the following:

- A. **Initial appropriation of each account**
- B. **Balances at the commencement of the monthly period**

C. Expenditures and encumbrances during the period

D. Unencumbered balance.

17.4.2 Cash Funds/Accounts Maintenance

The Department maintains three cash funds:

1. Investigative Funds - Shall be for legitimate investigative purposes only.
2. Technology and Records Funds – Shall be for providing change after receipt of payment.
3. Petty Cash – Shall be used for incidental expenses less than \$20.00 unless authorized by the Chief of Police.

All cash transactions made by departmental personnel on behalf of the agency will be documented as follows:

A. A balance sheet, ledger, or other system that identifies initial balance, credits (cash income received), debits (cash disbursed), and the balance on hand.

1. **Investigative Funds** - An accounting ledger for the Investigative Fund will be maintained by the Narcotics Unit Supervisor. The ledger will contain each “deposit” made into a cash fund. Each expenditure of cash or advance of cash from the fund will be recorded in the ledger detailing the case number, brief description of expense, employee’s name, amount of expense and running balance of cash on hand. The monthly summary will include the beginning balance for the month, a breakdown of expenditures (drugs bought, informant fees paid, miscellaneous expenses), total deposits for the month, and the remaining balance.
2. **Technology and Records Fund** - The Technology and Records Unit is responsible for submitting a quarterly report that identifies the beginning balance, cash income received, cash deposited, and the ending balance for the month. Technology and Records Unit PST’s are authorized to accept payment for certain transactions to include:
 - a. Parking tickets;
 - b. Precious Metals Permits; and
 - c. Other services as deemed necessary by the Chief of Police
3. **Petty Cash Fund** - A petty cash fund is maintained by the Administrative Assistant to the Chief of Police. A total of \$500 will be maintained in the fund. A ledger system that identifies the initial balance, credits, debits, and balance on hand shall be maintained.

B. Receipts or documentation for cash received.

1. **Investigative Funds** - The Report of Investigative Funds NBPD Form #61 is often referred to as the Buy Form. NO monies will be advanced or reimbursed without a properly completed Form #61. This form will be completed for requesting advancement of funds to pay a confidential source of information or to use in a criminal investigation by making the request to the Narcotics Unit Sergeant and/or to provide written documentation of all expenditures.
2. **Technology and Records Fund** - The Technology and Records Unit will, upon receipt of payment for any transaction, provide a written receipt to the individual making payment, maintain a copy in the receipt book and submit a copy of the receipt to the City of New Bern’s Accounting Department along with the Remittance Report.

3. **Petty Cash Fund** - Money will not be released from the fund until a receipt is produced and provided to the Administrative Assistant to the Chief of Police.

C. Authorization for cash disbursement, including CEO authorization for expenses in excess of a given amount.

1. **Investigative Funds** - Payments to confidential sources for narcotics, dangerous drugs and contraband purchases are restricted as follows:
 - a. Payments in excess of \$500.00 must have the prior approval of the Narcotics Unit Sergeant. This approval can be made verbally.
 - b. Payments in excess of \$1800.00 must have prior approval of the Investigations Section Lieutenant. This approval can be made verbally.
 - c. Payments in excess of \$3500.00 must have prior approval of the Investigations Division Captain and Deputy Chief or Chief and a supervisor must be present during the transaction.
2. **Technology and Records Fund** - Funds in the Technology and Records Unit are NOT to be used for any other means including cash disbursements and expenditures. This cash will be kept separate from all other revenues.
3. **Petty Cash Fund** - Personnel may be reimbursed up to **\$20** for any authorized purchase made for Department business. Reimbursements in excess of \$20 must be authorized by the Chief of Police.

D. Records, documentation, or invoice requirements for cash expenditures.

1. **Investigative Funds** - The Report of Investigative Funds NBPB Form #61 is often referred to as the Buy Form. **NO** monies will be advanced or reimbursed without a properly completed Form #61. This form will be completed to provide written documentation of all expenditures.
 - a. Section I - always completed by the submitting officer.
 - b. Section V - completed to reflect actual undercover expenses incurred by officers. Whenever possible, receipts will be attached. Officers will indicate the exact location of the expenditure on an Investigative Funds Accounting Report.
2. **Technology and Records Fund** - Funds in the Technology and Records Unit are NOT to be used for any other means including cash disbursements and expenditures. This cash will be kept separate from all other revenues.
3. **Petty Cash Fund** - Money will not be released from the fund until a receipt is produced.

E. Persons or positions authorized to disburse or accept cash.

1. **Investigative Funds** - All disbursements will be made by the Narcotics Unit Sergeant or the Investigations Section Lieutenant and documented on an Administrative Transfer of Funds NBPB Form #48.
2. **Technology and Records Fund** - Technology and Records Fund - The Technology and Records PST's are authorized to receive and maintain \$100.00 cash for the purpose of making change when payments are received. Funds will be stored in a locked location overnight. Bank deposits will be made daily per NCGS 159-32. Daily deposits.
3. **Petty Cash Fund** - The Chief of Police may authorize the Administrative Assistant to disburse petty cash funds.

F. Quarterly accounting of agency cash activities.

1. **Investigative Funds** - A monthly summary report of Investigative Funds will be completed by the Narcotics Unit Supervisor and submitted to the Investigations Section Lieutenant for review and approval. The ledger and funds shall be subject to audit by the Chief of Police or designee, as often as deemed necessary to ensure proper accounting and bookkeeping. These audits may be unannounced therefore the ledger and cash on hand must always tally to ensure proper accountability.
2. **Technology and Records Fund** - The Technology and Records Unit is responsible for submitting a quarterly report that identifies the beginning balance, cash income received, cash deposited, and the ending balance for the month.
3. **Petty Cash Fund** - A monthly reconciliation of the petty cash fund will be accomplished by the Administrative Assistant, verified by a second employee and reviewed/signed by the Chief of Police.

17.4.3 Independent Audit

As required by North Carolina General Statute 159-34, the City Board of Aldermen will order an annual independent audit of the accounts of each municipal department. The Chief of Police may order an audit of any departmental fund, accounts or cash at any time.

17.5.1 Inventory and Control

The Facilities and Supply Unit is responsible for inventory control of the Department's property. In accordance with City standard procedures, all Department property with a useful life of more than one year and a value of greater than \$5,000.00 is considered to be a fixed asset. All fixed assets are recorded and tracked by the City's Accounting Division. With the cooperation of the Police Department, the City's Accounting Division will conduct regular inventories of all fixed assets to determine their status. Within the Office of the Chief, the Personnel, Facility and Budget Unit or designee, is designated as the Police Department's Fixed Asset Manager. The Unit will maintain fixed asset documentation and will perform or delegate the annual inventory of all Police Department fixed assets. Responsibilities shall include:

1. Proper documentation of the accession of all capital or major items
2. Proper documentation of the deletion of all capital or major items
3. Proper issuance of an employee's uniform and equipment allotment and the maintenance of the employee's individual Department account
4. Proper documentation and disposition of damaged, excess or surplus assets
5. Records maintenance for all Department property, equipment and assets
6. Conducting an annual inventory in compliance with City of New Bern guidelines
7. Reporting discrepancies to the Chief of Police.

17.5.2 Issue/Reissue Procedures

The Facilities and Supply Unit is responsible for the issuance, distribution, and accountability for departmental supplies not specifically issued or assigned to an individual.

The ownership and title to all uniforms and equipment issued to police department employees is vested in the New Bern Police Department. Police personnel shall be held strictly accountable for the proper care, use, and maintenance of all issued articles of uniforms and equipment. An employee, who loses, misplaces, or damages issued property shall immediately report such loss or damage to his/her immediate supervisor, in writing, and shall be held responsible for the replacement of the property if the loss or damage is due to the employee's negligence. Official uniform items and issued equipment which become unsuitable for continued use due to

normal wear or size change may be replaced or repaired by the Facilities and Supply Unit upon the approval of the employee's supervisor.

All employees, regardless of the manner in which they separate from employment with the Department, must comply with the following procedures.

1. When an employee resigns, retires, is suspended, or is discharged the employee shall surrender to the Facilities and Supply Unit all issued items of uniforms, and equipment.
2. Officers on light duty status for an extended period, or those under suspension or other restriction, shall not operate department vehicles and must turn their vehicle and keys into their immediate supervisor.
3. Whenever an employee is suspended from duty, is going to be away from work and not available for callback for more than 90 days due to extended military leave, or any other long term absence which, as determined by the Chief of Police, or designee, applies to this policy; departmental equipment to be turned into the Facilities and Supply Unit shall include, but is not limited to:
 - a. Employee's badge,
 - b. Identification card,
 - c. Radio and all equipment issued with the radio, and
 - d. Vehicle and all associated contents.
 - e. Agency firearms will be collected and stored in department armory by a firearms instructor to be re-issued upon the employees return.

The Facilities and Supply Unit will store the equipment as appropriate until the employee returns to work or employment with NBPD is officially terminated. Upon return to active duty, the employee will be reissued the equipment.

Prior to beginning and upon ending any assignment requiring specialized uniform and/or equipment the employee will report to the Facilities and Supply Unit so that the appropriate uniform and equipment can be issued and/or recovered.

Any property or equipment issued to a volunteer shall remain the property of the agency and shall be returned at the termination of service.

17.5.3 Operational Readiness (CALEA Standard 17.5.2)

Agency-owned property is to be maintained / stored in a state of operational readiness. Such maintenance is the responsibility of the person or unit to which the property is assigned with a documented inspection completed at least quarterly. (See New Bern Police Department Directives 46.1.8 and 53.1.1)

17.5.4 Electronic Data Storage (CALEA Standard 11.4.5)

Any time that the department uses an outside service provider for electronic data storage, a written agreement is established addressing:

- A. Data Ownership;
- B. Data sharing, access and security;
- C. Loss of data, irregularities and recovery;
- D. Data retention and redundancy;

- E.** Required reports, if any; and
- F.** Special logistical requirements and financial arrangements.
- G.** All data stored offsite shall meet CJIS standards for storage and encryption, authorization for release of such data shall only be made by the Chief of Police or his designee.